

**Human Resources/Insurance Committee
Blount County**

August 18, 2015 5:00 PM
Agenda

- 1. Emergency Announcement**
- 2. Roll Call**
- 3. Input on items on the Agenda**
- 4. Approval of Minutes (July 20, July 29 & August 3, 2015)**
- 5. Information regarding monthly medical revenue and expenditures**
- 6. Discussion and possible action on benefit plan design and premium structure changes for 2016 plan year**
- 7. Input on items not on the Agenda**
- 8. Adjournment**

Blount County Government
Human Resources/Insurance Committee Minutes

Monday, July 20, 2015 5:00 PM
Room 430 Blount County Courthouse

Members Present: Mayor Ed Mitchell, Commissioners Mike Lewis, Tom Stinnett, Mike Caylor, Gary Farmer, Human Resource Insurance Committee Member David Murrell, Register of Deeds Phyllis Crisp, Highway Superintendent Bill Dunlap

Members Absent: Commissioner Grady Caskey, Sheriff James Berrong

Others Present: Human Resources Director Jenny Morgan, Benefits Coordinator Jodie King

Input on Items on the Agenda

None

Voluntary Worksite Benefits

6. A. Information from Cole Harris with CBIZ
Cole Harris with CBIZ presented a PowerPoint presentation to the committee regarding current worksite benefits and possible changes proposed by CBIZ.

Voluntary Life/Disability: Current Carrier, Humana
Recommendation: Dearborn National

Dental: Current Carrier, BlueCross BlueShield of TN
Recommended Carrier: Delta Dental

County provided life insurance: Current Carrier, Humana
Recommendation: Dearborn National

ASO (Administrative Services Only) Current Carrier, Humana
Recommendation: Allegiance Benefits

PBM (Pharmacy Benefit Manager) Current Carrier, Humana
Recommendation: Caremark

Worksite Voluntary Products: Current Carrier, Humana
Recommendation: Colonial

5. B. Cole Harris discussed possible savings with changing current plan designs. The PowerPoint presentation showed offering 3 plans with wellness benefits and change of premium structures.

Input on Items not on Agenda

None

Motion was made to adjourn at 6:57 PM

Blount County Government
Human Resources/Insurance Committee Minutes Workshop
Wednesday, July 29, 2015 5:00 PM
Room 430 Blount County Courthouse

Members Present: Mayor Ed Mitchell, Commissioners Mike Lewis, Tom Stinnett, Mike Caylor, Grady Caskey, Human Resource Insurance Committee Member David Murrell BOE, Register of Deeds Phyllis Crisp, Sheriff James Berrong

Members Absent: Commissioner Gary Farmer, Highway Superintendent Bill Dunlap

Others Present: Human Resources Director Jenny Morgan, Benefits Coordinator Jodie King

Input on Items on the Agenda

None

Discussion and possible action regarding benefits

4. A. Information from Cole Harris with CBIZ

Cole Harris with CBIZ presented a summary PowerPoint presentation to the committee regarding carrier recommendations; plan design changes and employee contribution strategies. Cole also discussed alternate scenarios by keeping the same plan design with an expected plan deficit over \$2.7 million; or changing vendors only an expected plan deficit over \$1.8 million or offer three plans, change contributions and vendors with an expected surplus of \$158,961. The committee members had several discussion back and forth regarding plan changes and designs along with fund balance and cash on hand. Next meeting is scheduled for August 3, 2015 at 5:00 p.m. to discuss and possible action regarding the benefits and voluntary worksite benefits.

Input on Items not on Agenda

None

Motion was made to adjourn at 6:30 PM

Blount County Government
Human Resources/Insurance Committee Minutes

Monday, August 3, 2015 5:00 PM
Room 430 Blount County Courthouse

Members Present: Mayor Ed Mitchell, Commissioners Mike Lewis, Tom Stinnett, Mike Caylor, Grady Caskey, Gary Farmer, Human Resource Insurance Committee Member David Murrell, Sheriff James Berrong, Register of Deeds Phyllis Crisp, Highway Superintendent Bill Dunlap

Members Absent: None

Others Present: Human Resources Director Jenny Morgan,
Benefits Coordinator Jodie King

Input on Items on the Agenda

None

Insurance Vendor Changes for 2016

D. Cole Harris recapped his discussion regarding changes of current vendors to the following vendors effective January 1, 2016:

Allegiance-ASO (Administrative Services Only)

Caremark-PBM (Pharmacy Benefits Manager)

Delta Dental-Dental

Vision-Superior Vision (current vendor)

Dearborn National-Life/Disability

Colonial-Worksite Products

Motion was made to vote on all the above in one package to present to full Commission with the effective changes as of January 1, 2016 by Tom Stinnett and second by James Berrong.

Roll call vote:

Mitchell-Yes Lewis-Yes Stinnett-Yes Caylor-Yes Caskey-Yes Farmer-Yes

Murrell-Yes Berrong-Yes Crisp-Yes Dunlap-Yes

All in favor and motion passed.

Benefit Plan Design and Premium structure change for 2016

E. Randy Vineyard discussed with the committee where the fund stands at this time. He gave several different scenarios with the projection of revenue and claims experience adjusting for IBNR. Cole Harris presented to the committee an alternative from last meetings. He discussed keeping one plan design with an employee contribution increase on premiums and keeping the retirees at current premiums. The members had several discussions back and forth. Next meeting is August 18th at 5:00 pm to discuss with possible action.

Input on Items not on Agenda

None

Motion was made to adjourn at 6:30 PM

Blount County
Employee Summary Report
Reporting Period: 07/01/14 thru 06/30/15

Month	Total	Members	Membership			
			Subscriber Coverage Types			
			EE Only	EE + SP	EE + CH	Family
7/31/2014	1862	3928	947	210	194	511
8/31/2014	1905	3991	980	212	196	517
9/30/2014	1902	4005	971	213	198	520
10/31/2014	1903	4006	972	211	203	517
11/30/2014	1909	4017	974	211	210	514
12/31/2014	1906	4016	971	210	210	515
1/31/2015	1,936	4,075	979	226	214	517
2/28/2015	1,930	4,063	978	223	214	515
3/31/2015	1,911	4,033	964	219	214	514
4/30/2015	1,913	4,044	965	220	214	514
5/31/2015	1,911	4,057	960	219	213	519
6/30/2015	1,883	3,979	957	213	208	505
	22,871	48,214	11,618	2,587	2,488	6,178

C.C. Object	Account Title	Estimated Revenue	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Year to Date
43101	SELF-INSURANCE PREMIUMS	\$ 9,300,000.00	\$ 82,158.50	\$ 817,450.00	\$ 832,125.00	\$ 767,087.07	\$ 766,450.00	\$ 694,075.00	\$ 438,700.93	\$ 723,529.60	\$ 700,210.89	\$ 749,087.50	\$ 758,412.50	\$ 739,875.00	\$ 8,069,161.99
43102	OTHER EMPLOYEE BENEFITS	\$ 9,000,000.00	\$ 654,181.74	\$ 590,040.90	\$ 662,747.29	\$ 735,157.38	\$ 666,548.38	\$ 728,213.37	\$ 660,509.09	\$ 640,365.88	\$ 705,828.99	\$ 664,536.12	\$ 678,077.79	\$ 659,723.64	\$ 8,045,930.57
44110	INTEREST EARNED	\$ 12,000.00	\$ 1.18	\$ 858.09	\$ 877.36	\$ 893.23	\$ 626.84	\$ 720.98	\$ 736.23	\$ 770.67	\$ 563.02	\$ 678.00	\$ 620.02	\$ 1,283.89	\$ 8,629.51
44160	RETIRES INSURANCE PMTS	\$ 630,000.00	\$ (58,871.77)	\$ 14,300.00	\$ 11,875.00	\$ 13,700.00	\$ 81,743.56	\$ 93,511.00	\$ 475,141.00	\$ 100,462.50	\$ 97,500.05	\$ 101,969.50	\$ 88,876.24	\$ 431,425.00	\$ 1,451,632.08
44161	COBRA INSURANCE PAYMENTS	\$ 50,000.00	\$ 1,397.05	\$ 3,571.90	\$ 3,166.92	\$ 4,154.98	\$ 2,295.00	\$ 2,801.96	\$ 2,754.00	\$ -	\$ 3,672.00	\$ 2,295.00	\$ 918.00	\$ 1,386.21	\$ 28,413.02
48990	OTHER-NET ASSETS UNRESTRICTED	\$ 1,329,420.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ 20,321,420.00	\$ 678,866.70	\$ 1,426,220.89	\$ 1,510,791.57	\$ 1,520,992.66	\$ 1,517,663.78	\$ 1,519,322.31	\$ 1,577,841.25	\$ 1,465,128.65	\$ 1,507,774.95	\$ 1,518,566.12	\$ 1,526,904.55	\$ 1,833,693.74	\$ 17,603,767.17

C.C. Object	Explanation of Account Title
43101	SELF-INSURANCE PREMIUMS Employee Only Medical Premiums and Employer for Employee Only Medical Premiums (\$25.00 and \$425.00 mthly)
43102	OTHER EMPLOYEE BENEFITS Employee Dependent Medical Premiums and Employer for Dependent Medical Premiums (\$150.00; \$100.00; \$125.00 and \$550.00 mthly)
44110	INTEREST EARNED Interest Earned
44160	RETIRES INSURANCE PMTS Retiree Premiums
44161	COBRA INSURANCE PAYMENTS Cobra Premiums
48990	OTHER-NET ASSETS UNRESTRICTED Fund Balance

C.C. Object	Account Title	Estimated Expenditures	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Year to Date
500207	EMPLOYEE INSURANCE - HEALTH	\$ 605,000.00	\$ 93,361.80	\$ 48,682.07	\$ 49,547.30	\$ 52,555.53	\$ -	\$ 99,259.90	\$ -	\$ 101,346.39	\$ 50,524.89	\$ 50,208.75	\$ 50,185.48	\$ -	\$ 595,672.11
500312	CONTRACTS W/PRIVATE AGCY	\$ 320,000.00	\$ 5,082.34	\$ 27,634.34	\$ 27,683.00	\$ 28,702.67	\$ 23,718.00	\$ 27,671.67	\$ 31,537.34	\$ 27,218.67	\$ 26,802.33	\$ 28,160.00	\$ 28,292.32	\$ 27,197.67	\$ 309,700.35
500325	FISCAL AGENT CHARGES	\$ 661,024.00	\$ -	\$ 51,839.37	\$ 53,037.78	\$ 105,338.07	\$ -	\$ 66,925.53	\$ 60,540.69	\$ 118,470.60	\$ 41,020.18	\$ 72,902.78	\$ 65,703.93	\$ 5,391.75	\$ 641,170.68
500507	MEDICAL CLAIMS	\$ 18,735,396.00	\$ 621,700.16	\$ 1,221,723.48	\$ 1,311,414.85	\$ 1,594,999.05	\$ 1,337,047.31	\$ 1,393,951.13	\$ 1,221,346.04	\$ 2,256,207.81	\$ 1,240,003.53	\$ 2,270,622.11	\$ 2,104,866.35	\$ 1,307,342.18	\$ 17,881,224.00
500530	FINES, ASSESSMENTS, AND PENALTIES	\$ 217,092.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 208,792.50	\$ -	\$ -	\$ -	\$ 8,290.88	\$ 217,083.38
	TOTAL	\$ 20,538,512.50	\$ 720,144.30	\$ 1,349,879.26	\$ 1,441,682.93	\$ 1,781,595.32	\$ 1,360,765.31	\$ 1,587,808.23	\$ 1,313,424.07	\$ 2,712,035.97	\$ 1,358,350.93	\$ 2,421,893.64	\$ 2,249,048.08	\$ 1,348,222.48	\$ 19,644,850.52

C.C. Object	Explanation of Account Titles
500207	EMPLOYEE INSURANCE - HEALTH Stoploss Carrier Premiums
500312	CONTRACTS W/PRIVATE AGCY ETMG Clinic and CONCERN EAP (BMH)
500325	FISCAL AGENT CHARGES HUMANA Admin Fees and Open Enrollment System
500507	MEDICAL CLAIMS Medical Claims and Pharmacy Claims
500530	FINES, ASSESSMENTS, AND PENALTIES ACA Fees and PCORI Fees (IRS)



Blount County Government HR Committee 08/18/2015

Presented by:

Cole Harris, RHU

Vice President of Sales & Marketing
CBIZ Benefits & Insurance Services of Tennessee, Inc.
Office: 865-251-5149; Fax: 865-251-5143





Summary

- Carrier Recommendations (to be voted on by Full Commission on 8/20):
 - ASO – Allegiance
 - PBM – Caremark (Employers Health)
 - Stop-Loss – HM Life (Current)
 - Dental Insurance – Delta Dental
 - Vision Insurance – Superior Insurance (Current)
 - Life/Disability – Dearborn National
 - Worksite Products – Colonial
- Wellness:
 - Increased Tobacco Fee of \$25 / \$50 per month for employees
 - Research and commit full wellness program for 2017 plan year



Recommended Alternative

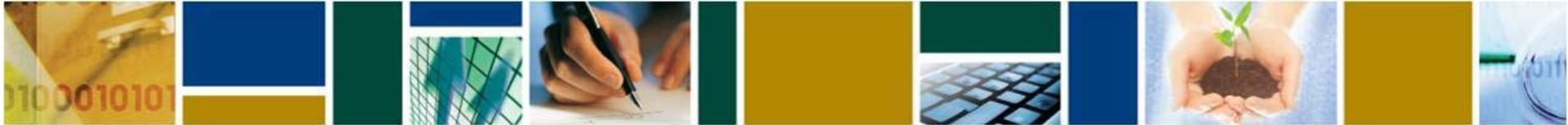
Benefit	Current	Alternative
Deductible	\$500 / \$1,000	\$750 / \$1,500
Medical Out-of-Pocket Maximum	\$1,500	\$4,000
Prescriptions	\$10 / 30% (max of \$60)	<ul style="list-style-type: none"> • \$10 • 30% (max of \$60) • 40% (max of \$100) • 50% (max of \$200)



Recommended Alternative

- Proposed Levels (Blount County Contribution + Employee)

	Alternative Per Month
Employee Only	\$510.00
Employee Spouse	\$1,175.00
Employee Child	\$1,150.00
Family	\$1,200.00



Recommended Alternative

	Alternative (Per Month)		EE Change
	ER Cost	EE Cost	
Employee Only	\$425	\$85	+\$60
EE + Spouse	\$975	\$200	+\$50
EE + Child(ren)	\$975	\$175	+\$50
Family	\$975	\$225	+\$50



Alternate Scenarios

- Keep Same Plan, Employee Contributions, and Vendors
 - **Expected Plan Deficit: \$2,749,255.39**
- Keep Same Plan and Employee Contributions: Change Vendors
 - **Expected Plan Fund Deficit: \$1,890,077.71**
- Recommended Alternative, Change Contributions, add tobacco surcharge, and Vendor Changes
 - **Plan Fund Deficit at \$182,555.34**



Request for Vote

- 1 Plan Design
 - \$750 Individual Deductible / \$1500 Family Deductible
 - \$4,000 Out-Of-Pocket
- Prescriptions
 - Tier 1 - \$10 (Generics)
 - Tier 2 - 30% (Max of \$60)
 - Tier 3 - 40% (Max of \$100)
 - Tier 4 - 50% (Max of \$200)
- Tobacco Surcharge of \$25 for Individual / \$50 for Dependents
- Plan Funding Rates
 - Employee Contributions